

**LEGISLATIVE SERVICES AGENCY  
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**FISCAL IMPACT STATEMENT**

**LS 6804**

**BILL NUMBER:** HB 1205

**NOTE PREPARED:** Dec 23, 2010

**BILL AMENDED:**

**SUBJECT:** Abortion Funding.

**FIRST AUTHOR:** Rep. Ubelhor

**FIRST SPONSOR:**

**BILL STATUS:** As Introduced

**FUNDS AFFECTED:** ☒ **GENERAL**  
**DEDICATED**  
☒ **FEDERAL**

**IMPACT:** State

**Summary of Legislation:** This bill prohibits state agencies from entering contracts with or making grants to any entity that performs abortions or maintains or operates a facility where abortions are performed. The bill cancels state funding for any current contracts with or grants to any entity that performs abortions or maintains or operates a facility where abortions are performed.

**Effective Date:** Upon passage.

**Explanation of State Expenditures:** The bill would impact a current Planned Parenthood contract with Madison State Hospital (MSH), and Planned Parenthood grants and contracts made by the Family and Social Services Administration (FSSA) for the Social Services Block Grant (SSBG) and the Indiana State Department of Health (ISDH). It may also prohibit Planned Parenthood from participating as a Medicaid provider.

The bill would require the Director of the State Budget Agency to notify Planned Parenthood of Indiana that funds are not appropriated or otherwise available to support the continuation or performance of the contract with Madison State Hospital. The MSH contract expires June 30, 2011, and is for \$1,200 annually. The bill would prevent the renewal of an FSSA contract expiring September 30, 2010, for family planning services for low-income individuals, as well as an ISDH contract for sexually transmitted disease intervention services in the west central part of the state that expires December 31, 2010. The bill would prohibit any further contracts or grants with Planned Parenthood.

The Medicaid provider agreement is a contract. This bill could potentially impact Planned Parenthood's ability to bill for Medicaid services. The Office of Medicaid Policy and Planning (OMPP) reports that in

FY2010, Planned Parenthood clinics in Indiana were paid \$195,915 in Medicaid fee-for-service claims, and \$1,167,748 in claims were paid by the managed care organizations (MCOs).

Medicaid is jointly funded by the state and federal governments. The effective state share of program expenditures is approximately 34% for most services. Medicaid medical services are matched by the effective federal match rate (FMAP) in Indiana at approximately 66%. Certain family planning services and supplies are matched with 90% federal funding. Administrative expenditures with certain exceptions are matched at the federal rate of 50%. Federal ARRA enhanced Medicaid stimulus funding will be available to the state until June 30, 2011.

**Explanation of State Revenues:**

**Explanation of Local Expenditures:**

**Explanation of Local Revenues:**

**State Agencies Affected:** State Budget Agency; FSSA; Madison State Hospital; ISDH.

**Local Agencies Affected:**

**Information Sources:** OMPP, Indiana Department of Administration procurement active contract search.

**Fiscal Analyst:** Kathy Norris, 317-234-1360.